

TC98-107

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RECEIVED

MAY 28 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

WRITER'S DIRECT DIAL NUMBER:

(703) 714-1304

WRITER'S DIRECT EMAIL ADDRESS:

ktwomey@helein.com

May 27, 1998

Via Overnight Delivery

Mr. William Bullard
Executive Secretary
South Dakota Public Utilities Commission
State Capitol
500 E. Capitol Avenue
Pierre, SD 57501

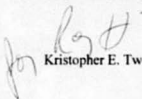
Re: Application of OLS, Inc. to Provide Intrastate Resale Telecommunications Services

Dear Mr. Bullard:

On behalf of OLS, Inc. we hereby submit an original and eight (8) copies of the application of OLS, Inc. for authorization to provide intrastate telecommunications resale services. Please find enclosed a check for \$250 to cover the application fee.

Please date-stamp the extra copy and return it to the undersigned in the enclosed postage-prepaid envelope. Should you have any questions with respect to this matter, please contact me.

Respectfully submitted,


Kristopher E. Twomey

Enclosures

BEFORE THE
PUBLIC UTILITIES COMMISSION
OF THE STATE OF
SOUTH DAKOTA

APPLICATION FOR AUTHORIZATION TO PROVIDE
INTRASTATE TELECOMMUNICATIONS RESALE SERVICES

OF

OLS, Inc.

1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201
(770) 569-9988

Kristopher E. Twomey
Helein & Associates, P.C.
8180 Greensboro Drive, Suite 700
McLean, VA 22102
Telephone No.: (703) 714-1300
Facsimile No.: (703) 714-1330

| | |
|------------------------------------|---|
| In the Matter of |) |
| OLS, Inc. |) |
| Application for Authorization to |) |
| Provide Intrastate |) |
| Telecommunications Resale Services |) |

To the Commission:

APPLICATION OF OLS, Inc.

OLS, Inc. ("OLS") of Alpharetta, Georgia herewith respectfully petitions for authorization to provide its telecommunications resale services on an intrastate basis. In support of this application, the following is shown:

A. Corporate Information

1. OLS is a corporation formed in the State of Georgia. A copy of Applicant's articles of incorporation is attached to this petition as Exhibit 1. The Applicant does not own or control any subsidiaries.

2. The Company's principal offices are located at 1030 Cambridge Square, Suite E, Alpharetta, Georgia 30201. Its phone number is (888) 399-4660 or (770) 569-9988.

3. OLS's President is Gary K. Eubanks and its Vice President is Geri Clary.

4. OLS's officers and directors are listed in Exhibit 2.

5. A certificate to do business as a foreign corporation has been applied for and will be forwarded to the SDPSC when it is issued as Exhibit 3.

6. The Company's registered agent to receive service is listed in Exhibit 4.

7. No persons serving either by elections or appointment as officers, directors, incorporators and persons controlling or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation have been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction; have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, of restraining the trade or monopoly in any state or federal jurisdiction; have been or are subject to an injunction, judgment, decree, or permanent order of any state or federal court where such injunction, judgment, decree or permanent order involved the violation of fraud or registration provisions of the securities laws of that jurisdiction, involved the violation of the consumer fraud laws of that jurisdiction, or involved the violation of the antitrust or restraint of trade laws of that jurisdiction.

8. The Company, and its shareholders and directors have not had, and have no proprietary interest in any entity that has had any regulatory approval denied, revoked or suspended, nor are they, individually or collectively, involved in any proceeding to deny,

revoke or suspend any regulatory approval. A list of all the states where Applicant is registered or certified to do business is attached as Exhibit 8.

B. Description of Services

9. OLS is a switchless reseller which provides or which will provide interstate, interexchange long distance telephone service using the networks of various carriers. Intrastate interLATA and, where permitted, intralATA telecommunication services will also be offered to the public on a resale basis. OLS presently provides interstate "switchless resale" in fourteen states. OLS is extending its service to meet the intrastate needs of its customers is filing the requisite applications in all other states to be certified as required. OLS currently has applications pending in nine other states. OLS proposes to provide service throughout the state of South Dakota.

10. At present, OLS employs no switches or network facilities of its own because those are or will be provided by OLS's underlying carrier. OLS's underlying carrier currently is WorldCom Network Services, Inc. The Company provides service to commercial enterprises and residential customers. This application does not seek authority at this time to provide any form of operator services nor any service to pay phones.

11. To provide non-facility based resale services, OLS arranges under the provisions of the duly published tariffs of its underlying carrier or carriers the commitments to meet the telecommunications traffic usage volumes necessary to qualify for

the highest levels of discounts available under those tariffs. OLS is responsible for all payments to the underlying carrier for such usage. OLS then rebills its customers, at the same time passing on to them a share of the higher discounts made possible by having pooled their traffic with other of OLS's customers.

12. Customer complaints are handled entirely in-house by OLS's customer service staff. Customers may reach OLS toll free by calling (888)399-4660. In the event of a billing dispute between the customer and the Company, the customer shall notify the Company of its disagreement within thirty days of receiving its bill. The customer may request, and the Company will provide, a detailed review of the disputed amount. In this event, the undisputed amount and any subsequent billing must be paid on a timely basis. If, after investigation by a manager of the Company, there is still a disagreement about the disputed amount, the customer is notified by Company that an appeal to the state public utilities commission may be made.

13. Applicant intends to market its services to both residential and business customers. Applicant does not intend to use a multi-level marketing approach. Applicant plans to market using outside independent agents and some telemarketing.

C. Technical Qualifications

14. Because the Company provides no equipment, transmission or reception facilities, technical qualifications are not directly germane to the Company's operations. OLS maintains close and

continuous liaison with its underlying carrier in order to coordinate and expedite new service orders, changes, repairs, etc. of the facilities or the equipment of the underlying carrier.

15. The Federal Communications Commission (FCC) does not license switchless resellers. Accordingly, OLS does not need FCC authority for its interstate operation. OLS has obtained section 214 authority from the FCC to provide international resale service.

D. Financial Background and Qualifications

16. Financial information on the Company is submitted in the following exhibits, all of which contain commercial and financial information normally considered proprietary and confidential. Accordingly, OLS requests that the information submitted be protected from public disclosure to the extent possible under the laws of the state. The exhibits contain the following information:

Exhibit 5 -- Balance Sheet

Exhibit 6 -- Profit and Loss Statement

E. Proposed Tariff

17. The proposed tariff of OLS is attached as Exhibit 7.

F. Public Interest Showing

18. OLS submits that the public interest will be served by the approval of this application. For example, OLS's proposed service will use existing communication facilities more efficiently, will provide alternative services of the highest quality, provide increased consumer choice in billing options, as

well as increased diversification and increased reliability of supply communications services.

19. The Company's resale service offering will enhance competition for telecommunications services in this state because the addition of another supplier of telephone service will increase competition in terms of price and quality of service for the business of telephone service consumers. Also, OLS will make available to small and medium sized businesses as well as residential consumers the high volume discounts usually available only to those larger businesses able to meet the volume commitments necessary to obtain such discounts.

G. Nationwide Service

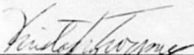
20. OLS anticipates that the majority of its customers' traffic will be interstate and international in nature. Federal law provides for the resale of interstate telecommunications services, and a strong customer demand exists for such a service. However, intrastate services are obviously necessary to its customers. Accordingly, to accommodate the intrastate telecommunications needs of its customers along with the interstate service to which they are entitled under federal law, OLS has undertaken to request authority to provide intrastate service in states that regulate such activities.

21. The Company requests that all questions and correspondence be directed to its regulatory counsel at the following address and phone numbers:

Kristopher E. Twomey, Esq.
Helein & Associates, P.C.
8180 Greensboro Drive, Suite 700
McLean, VA 22102
Telephone No.: (703) 714-1304
Facsimile No.: (703) 714-1330

WHEREFORE, OLS, Inc. prays that the Commission authorize it to engage in the resale of intrastate, interexchange telecommunication services to the public as proposed herein and as set forth in the attached tariffs. The Company is seeking similar action from states where such authorization is required.

Respectfully submitted this 19th day of May, 1998.



Kristopher E. Twomey
Helein & Associates, P.C.
8180 Greensboro Drive, Suite 700
McLean, VA 22102

EXHIBIT 1

OLS, Inc.

CERTIFICATE OF INCORPORATION

Secretary of State
Corporations Division
Suite 315, West Tower
2 Martin Luther King Jr. Dr.
Atlanta, Georgia 30334-1530

CONTROL NUMBER: 9713485
EFFECTIVE DATE: 04/17/1997
COUNTY : FULTON
REFERENCE : 0045
PRINT DATE : 04/17/1997
FORM NUMBER : 311

GERI CLARY
1030 CAMBRIDGE SQUARE
SUITE E
ALPHARETTA, GA 30201

CERTIFICATE OF INCORPORATION

I, Lewis A. Massey, the Secretary of State and the Corporation Commissioner of the State of Georgia, do hereby certify under the seal of my office that

**QLS, INC,
A DOMESTIC PROFIT CORPORATION**

has been duly incorporated under the laws of the State of Georgia on the effective date stated above by the filing of articles of incorporation in the office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.



Lewis A. Massey

Lewis A. Massey
Secretary of State

ARTICLES OF INCORPORATION

OF

OLS, Inc.

ARTICLE I. The name of the corporation is "OLS, Inc."

ARTICLE II. The corporation is organized pursuant to the Georgia Business Corporation Code.

ARTICLE III. The period duration of the corporation shall be perpetual.

ARTICLE IV. The purposes for which the corporation is organized are: to resell 1+ residential long distance service, and business activities related thereto, and to engage in any lawful act or activity for which a corporation organized under the Georgia Business Corporation Code may engage.

ARTICLE V. The corporation shall have authority to issue shares of stock in one class only, that being common stock, and the aggregate number of shares the corporation shall have authority, acting by its Board of Directors, to issue shall not be more than 100,000 shares of common stock.

ARTICLE VI. The corporation shall not commence business until a consideration of no less than \$1,000.00 has been received for the issuance of shares of its stock.

ARTICLE VII. The mailing address of the initial principal office of the corporation is:

1030 Cambridge Square, Suite E
Alpharetta, Fulton County, GA 30201.

ARTICLE VIII. The initial registered office of the corporation shall be located at:

1030 Cambridge Square, Suite E
Alpharetta, Fulton County, Georgia, 30201;

and the initial registered agent of the corporation shall be:

Geri Clary.

ARTICLE IX. The initial Board of Directors shall consist of two members, namely, Gary Eubanks and Geri Clary.

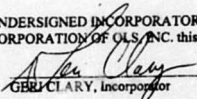
ARTICLE X. The name address of the incorporator is:

Geri Clary

1030 Cambridge Square, Suite E

Alpharetta, Fulton County, Georgia, 30201.

IN WITNESS WHEREOF, THE UNDERSIGNED INCORPORATOR HAS
EXECUTED THESE ARTICLES OF INCORPORATION OF OLS, INC. this 17th day of
April, 1997.



GERI CLARY, Incorporator

APR 17 12 13 PM '97
DSM (1)
SECRETARY OF STATE

B Y - L A W S O F

CLS, INC.

ARTICLE I - SHAREHOLDERS

Section 1. Annual Meetings. The annual meeting of the Shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held at such place, either within or without the State of Georgia, on such date and at such time as the Board of Directors may by resolution provide; or if the Board of Directors fails to provide, then such meeting shall be held at the principal office of the Corporation at 10:00 A. M. on the fourth (4th) Tuesday in April of each year, or if such date is a legal holiday, on the next succeeding business day. The Board of Directors may specify by resolution prior to any special meeting of Shareholders held within the year that such meeting shall be in lieu of the annual meeting.

Section 2. Special Meetings, Called Meetings and Notice of Meetings. Special meetings of the Shareholders may be called at any time by the Board of Directors, the President or upon written request of the holders of at least 25% of the outstanding common stock. Such meetings shall be held at such place, either within or without the State of Georgia, as is stated in the call and notice thereof. Written notice of each meeting of Shareholders stating the time and place of the meeting and the purpose of any such special meeting shall be mailed to each Shareholder entitled to vote at each Shareholder's address shown on the books of the Corporation not less than ten (10) days nor more than fifty (50) days prior to such meeting unless such Shareholder waives notice of the meeting. Any Shareholder may execute a waiver of notice in person or by proxy either before or after any meeting and shall be deemed to have waived notice if such Shareholder is present at such meeting in person or by proxy. Neither the business transacted at nor the purpose of any meeting need be stated in the waiver of notice of a meeting; however, if a plan of merger or consolidation is to be considered, information as required by the Georgia Business Corporation Code must be delivered to the Shareholder prior to such Shareholder's execution of the waiver of notice or the waiver itself must conspicuously and specifically waive the right to such information. Notice of any meeting may be given by the President, the Secretary or by the person or persons calling such meeting. No notice need be given of the time and place of reconvening of any adjourned meeting if the time and place to which the meeting is adjourned are announced at the adjourned meeting.

Section 3. Quorum and Required Shareholder Vote. A quorum for the transaction of business at any annual or special meeting of Shareholders shall exist when the holders of a majority of the outstanding shares entitled to vote are represented either in person or by proxy at such meeting. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the Shareholders unless a greater vote is required by law, by the Articles of Incorporation or by these By-Laws. When a quorum is once present to organize a meeting, the Shareholders present may continue to do business at the meeting or at any adjournment thereof notwithstanding the withdrawal of enough Shareholders to leave less than a quorum. The holders of a majority of the voting shares represented at a meeting may adjourn such meeting from time to time whether or not a quorum is present.

Section 4. Proxies. A Shareholder may vote either in person or by a proxy which such Shareholder has duly executed in writing. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer period is expressly provided in the proxy.

Section 5. Action of Shareholders Without Meeting. Any action required to be taken or which may be taken at a meeting of the Shareholders may be taken without a meeting if written consent setting forth the actions so taken shall be signed by all of the Shareholders entitled to vote with respect to the subject matter thereof; however, if a plan of merger or consolidation is to be approved, information as required by the Georgia Business Corporation Code must be delivered to the Shareholder prior to such Shareholder's execution of the consent or the consent itself must conspicuously and specifically waive the right to such information. Such consent shall have the same force and effect as a unanimous affirmative vote of the Shareholders and shall be filed with the minutes of the proceedings of the Shareholders.

ARTICLE II - DIRECTORS

Section 1. Power of Directors. The Board of Directors shall manage the business of the Corporation and may exercise all the powers of the Corporation subject to any restrictions imposed by law, by the Articles of Incorporation or by these By-Laws.

Section 2. Composition of the Board. The Board of Directors of the Corporation shall consist of not less than three (3) or more than nine (9) natural persons of the age of eighteen (18) years or over except that if all of the shares of the Corporation are owned beneficially and of record by less than three (3) Shareholders, the number of Directors may be less than three (3) but not less than the number of Shareholders. Directors need not be residents of the State of Georgia or

Shareholders of the Corporation. At each annual meeting the Shareholders shall fix the number of Directors and elect the Directors who shall serve until their successors are elected and qualified, provided that the Shareholders may increase or reduce the number of Directors by the affirmative vote of the holders of a majority of the shares entitled to vote at an election of Directors and add or remove Directors with or without cause at any time.

Section 3. Meetings of the Board, Notice of Meetings and Waiver of Notice. The annual meeting of the Board of Directors for the purpose of electing officers and transacting such other business as may be brought before the meeting shall be held each year immediately following the annual meeting of Shareholders. The Board of Directors may provide for the time and place of other regular meetings by resolution, and no notice of such regular meeting need be given. Special meetings of the Board of Directors may be called by the President or by any two Directors, and written notice of the time and place of such meetings shall be given to each Director by first class mail at least four (4) days before the meeting or by telephone, telegraph, cablegram, fax or in person at least two (2) days before the meeting. Any Director may execute a waiver of notice either before or after any meeting; and such Director and shall be deemed to have waived notice if he/she is present at such meeting. Neither the business to be transacted at nor the purpose of any meeting of the Board of Directors need be stated in the notice or waiver of notice of such meeting. Any meeting may be held at any place within or without the State of Georgia.

Section 4. Quorum and Vote Requirement. A majority of the Directors in office at any time shall constitute a quorum for the transaction of business at any meeting. When a quorum is present, the vote of a majority of the Directors present shall be the act of the Board of Directors unless a greater vote is required by law, by the Articles of Incorporation or by these By-Laws.

Section 5. Action of Board Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Directors or committee members and filed with the minutes of the proceedings of the Board of Directors or committee. Such consent shall have the same force and effect as a unanimous affirmative vote of the Board of Directors or committee as the case may be.

Section 6. Committees. By resolution adopted by a majority of the Directors, the Board of Directors may designate from among its members an Executive Committee and/or other committees which shall be composed of two (2) or more Directors and which may exercise such authority as is delegated by the Board of Directors, provided that no committee shall have the authority as

is delegated by the Board of Directors in reference to [i] an amendment to the Articles of Incorporation or By-Laws of the Corporation; [ii] the adoption of a plan of merger or consolidation; [iii] the sale, lease, exchange or other disposition of all or substantially all of the property and assets of the Corporation or [iv] a voluntary dissolution of the Corporation or revocation thereof.

Section 7. Vacancies. A vacancy occurring in the Board of Directors by reason of the removal of a Director by the Shareholders shall be filled by the Shareholders or, if authorized by the Shareholders, by the remaining Directors. Any other vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors or by the sole remaining Director, as the case may be, or by the Shareholders if the vacancy is not so filled or if no Director remains. A Director elected to fill a vacancy shall serve for the unexpired term of such Director's predecessor in office.

Section 8. Telephone Conference Meetings. Unless the Articles of Incorporation provide otherwise, members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board or committee by means of telephone conferences or similar communications equipment by means of which all persons participating in the meeting can hear each other; and participation in a meeting pursuant to this Section 8 shall constitute presence in person at such meeting.

ARTICLE III - OFFICERS

Section 1. Executive Structure of the Corporation. The officers of the Corporation shall consist of a President, a Vice President, a Secretary, a Treasurer and such other officers or assistant officers as may be elected by the Board of Directors. Each officer shall hold office for the term for which such officer has been elected or appointed and until such officer's successor has been elected or appointed and has qualified or until such officer's earlier resignation, removal from office or death.

Section 2. President. The President shall be the chief executive officer of the Corporation and shall give general supervision and direction to the affairs of the Corporation subject to the direction of the Board of Directors. The President shall preside at all meetings of the Shareholders and Board of Directors.

Section 3. Vice President. The Vice President shall act in the case of absence or disability of the President.

Section 4. Secretary. The Secretary shall keep the minutes of the proceedings of the Shareholders and of the Board of Directors and shall have custody of and attest the seal of the Corporation.

Section 5. Treasurer. The Treasurer shall be responsible for the maintenance of proper financial books, and records of the Corporation.

Section 6. Other Duties and Authority. Each officer, employee and agent of the Corporation shall have such other duties and authority as may be conferred upon such officer, employee and agent by the Board of Directors or delegated to such officer, employee and agent by the President.

Section 7. Removal of Officers. Any officer may be removed at any time by the Board of Directors. This provision shall not prevent the making of a contract of employment for a definite term with any officer and shall have no effect upon any cause of action which any officer may have as a result of removal in breach of a contract of employment.

Section 8. Compensation. The salaries of the officers shall be fixed from time to time by the Board of Directors. No officer shall be prevented from receiving such salary by reason of the fact that such officer is also a Director of the Corporation.

ARTICLE IV - STOCK

Section 1. Stock Certificates. The shares of stock of the Corporation shall be represented by certificates in such form as may be approved by the Board of Directors, which certificates shall be issued to the Shareholders of the Corporation in numerical order from the stock book of the Corporation. Each stock certificate shall bear the name of the Shareholder, the number of shares represented and date of issue; and each stock certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary of the Corporation. No share certificate shall be issued until the consideration for the shares represented thereby has been fully paid.

Section 2. Transfer of Stock. Shares of stock of the Corporation shall be transferred only on the books of the Corporation upon surrender to the Corporation of the certificate or certificates representing the shares to be transferred accompanied by an assignment in writing of such shares properly executed by the Shareholder of record or such Shareholder's duly authorized attorney-in-fact and with all taxes on the transfer having been paid. The Corporation may refuse any requested transfer until furnished evidence satisfactory to it that such transfer is proper. Upon the surrender of a certificate for

transfer of stock, such certificate shall at once be conspicuously marked "canceled" on its face and filed with the permanent stock records of the Corporation. The Board of Directors may make such additional rules concerning the issuance, transfer and registration of stock and requirements regarding the establishment of lost, destroyed or wrongfully taken stock certificates (including any requirements of an indemnity bond prior to issuance of any replacement certificate) as it deems appropriate.

Section 3. Registered Shareholders. The Corporation may deem and treat the holder of record of any stock as the absolute owner for all purposes and shall not be required to take any notice of any right or claim of right of any other person.

Section 4. Record Date. For the purpose of determining Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof or entitled to receive payment of any dividend or in order to make a determination of Shareholders for any other purpose, the Board of Directors may fix in advance a date as the record date for any such determination of Shareholders, such date in any case to be not more than fifty (50) days (and in the case of a meeting of Shareholders, not less than ten (10) days) prior to the date on which the particular action requiring such determination of Shareholders is to be taken.

ARTICLE V - DEPOSITORIES, SIGNATURES AND SEAL

Section 1. Depositories. All funds of the Corporation shall be deposited in the name of the Corporation in such bank, banks or other financial institutions as the Board of Directors may from time to time designate and shall be drawn out on checks, drafts or other orders signed on behalf of the Corporation by such person or persons as the Board of Directors may from time to time designate.

Section 2. Contracts and Deeds. All contracts, deeds and other instruments shall be signed on behalf of the Corporation by the President or by such other officer, officers, agent or agents as the Board of Directors may from time to time by resolution provide.

Section 3. Seal. The seal of the Corporation shall be as follows:

If the seal is to be affixed to a document, the signature of the Secretary or an Assistant Secretary shall attest the seal. The seal and its attestation may be lithographed or otherwise printed on any document and shall have the same force and effect as if it had been affixed and attested manually to the extent permitted by law.

ARTICLE VI - INDEMNITY

Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or is or was at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the Corporation against expense (including reasonable attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation (and with respect to any criminal action or proceeding if such person had no reasonable cause to believe such person's conduct was unlawful) to the maximum extent permitted by and in the manner provided by the Georgia Business Corporation Code.

ARTICLE VII - AMENDMENT OF BY-LAWS

The Board of Directors shall have the power to alter, amend or repeal the By-Laws or adopt new By-Laws; but any By-Laws adopted by the Board of Directors may be altered, amended or repealed and new By-Laws adopted by the Shareholders. Action by the Directors with respect to the By-Laws shall be taken by an affirmative vote of a majority of all of the Directors then in office. Action by the Shareholders with respect to the By-Laws shall be taken by an affirmative vote of a majority of all shares outstanding and entitled to vote.

EXHIBIT 2

OLS, Inc.

OFFICERS AND DIRECTORS

Officers and Directors

Gary K. Eubanks
President/CEO/Secretary
Director
1030 Cambridge Square, Suite E
Alpharetta, GA 30201

Geri Clary
Vice President/CFO/Treasurer
Director
1030 Cambridge Square, Suite E
Alpharetta, GA 30201

GARY K. EUBANKS

Professional Experience

1996 - Present

President/CEO

QIS, Inc., Appearita, Georgia

Responsible for all areas of business including but not limited to executive and mid-level management, business plan development, acquisitions and mergers, company evaluations, network design, network configuration and optimization, carrier contract negotiations, marketing plan development, customer service development, employee policy, and procedures, state certificate applications and tariff filings, corporate investments, budget development, strategic planning and public relations.

1992 - 1996

President

L&M Consulting, Pompano Beach, Florida

Provided assistance on a consulting basis to switched and switchless resellers primarily in the areas of: carrier contract negotiations, billing contract negotiations, product development, state certifications, development and implementation of customer service departments, compliance with state and federal regulatory bodies, development of business and marketing plans, development of in-house telemarketing programs, implementation of policies and procedures for various departments including management levels, external relationships, and communication between client and contractual parties.

1985 - 1992

Vice-President

Electro, Inc., Tucker, Georgia

Responsible for the President for the profitable operations of the corporation, which provided installation and cabling for all major PBX systems. Established the sales office and staff, expanded training programs for all technical personnel to include evolving industry technology, maintained and established all customer relationships, implemented cost reductions totaling more than \$800,000, and automated operations, reducing personnel requirements.

Professional Memberships

Member of the America's Carriers Telecommunications Association

(ACTA)

Member of the Telecommunications Resellers Association (TRA)

Education

B.A. (Business) from Georgia State University.

GERI CLARY

Experience:

1996-Present O.L.S., Inc. Alpharetta, Georgia
Vice President - CFO

Responsible for all financial aspects of the company including financial reporting (internal & external), financial forecasts and budgets, strategic planning, cash management, corporate investments, internal accounting controls, the accounts receivable department, the accounts payable department, the personnel department, and the payroll department. Responsible for the professional staff including the MIS group. Negotiate carrier contracts and billing contracts. Oversee all customer credit approvals.

1995 - 1996 America's Tele-Network Corporation (ATN) Roswell, Georgia
Controller

Responsible for strategical planning and development based on current marketing plan. Established the Financial Department including the setup of the current Accounting System. Assist in carrier and billing and collection contract negotiations. Responsible for all financial aspects of the business including budget development, financial data for internal and external use and interpreter of all financial results.

1992 - 1994 GC Accounting Roswell, Georgia
President

Financial consultant to small companies in the telecommunication, automobile and computer industries. Provided profit and loss analyses, financial planning models, accounting controls and accounting policies and procedures consistent with company organizational objectives.

United Stationers Supply Company Norcross, Georgia
Region Control Analyst

Responsible for the preparation of all monthly and quarterly financial reporting submitted to corporate. Analyzed and interpreted financial data reviewed by internal management, prepared and coordinated budgets for regional office and five other divisions on an individual and consolidated basis. Served as support to divisional management. Supervised over 20 accounting personnel within the accounting department.

1989 - 1992 Carter, Belcourt & Atkinson, P.C. - Certified Public Accountants Lakeland, Florida
Tax Accountant

Prepared corporate, partnership and personal returns. Assisted in several audits in the citrus and automobile industries. Participated in all CPE courses and maintained tax library.

Education:

B.S. in Accounting, summa cum laude
Florida Southern College, Lakeland, Florida

EXHIBIT 3

OLS, Inc.

AUTHORIZATION TO DO BUSINESS AS A FOREIGN CORPORATION

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of OLS, INC. (GA) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of OLS, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this May 1, 1990.

Joyce Hazeltime
JOYCE HAZELTINE
Secretary of State

SECRETARY OF STATE
STATE CAPITOL
500 E. CAPITOL
PIERRE, S.D. 57501-5077
605-773-4845
FAX (605) 773-1990

APPLICATION FOR CERTIFICATE OF AUTHORITY

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is OLS, Inc.
(Exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is

(3) State where incorporated Georgia Federal Taxpayer ID# 58-2299612

(4) The date of its incorporation is April 17, 1997 and the period of its duration is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 1030 Cambridge Square, Suite E, Alpharetta, GA Zip Code 30201

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is 509 S. Pierre St., Pierre, SD Zip 57501 and the name of its proposed registered agent in the State of South Dakota at that address is Corporation Service Company

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: Telecommunication Services

(8) The names and respective addresses of its directors and officers are:

| Name | Officer Title | Street Address | City | State | Zip |
|---------------------|--------------------|------------------------------|----------|----------|--------------|
| <u>Gary Eubanks</u> | <u>Pres./Sec.</u> | <u>1030 Cambridge Square</u> | | | |
| <u>Eeri Clary</u> | <u>V.P./Treas.</u> | <u>Suite E</u> | | | |
| <u>Gary Eubanks</u> | <u>Director</u> | <u>Alpharetta, GA</u> | | | <u>30201</u> |
| <u>Eeri Clary</u> | <u>Director</u> | <u>"</u> | <u>"</u> | <u>"</u> | <u>"</u> |

(9) The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class is:

| Number or shares | Class | Series | Par value per share or statement that shares are without par value |
|------------------|---------------|--------|--|
| <u>100,000</u> | <u>Common</u> | | <u>No Par Value</u> |
| | | | |
| | | | |

EXHIBIT 4

OLS, Inc.

REGISTERED AGENT FOR SERVICE

Corporation Service Company
503 South Pierre Street
Pierre, SD 57501

EXHIBIT 5

OLS, Inc.

BALANCE SHEET

O.L.S, Inc.
Balance Sheet
 As of April 30, 1998

Apr 30, '98

| | |
|---------------------------------------|--------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Operating - Checking | 75,141.81 |
| Payroll - Checking | 4,358.01 |
| Payroll-New | 108.59 |
| Total Checking/Savings | 79,608.41 |
| Accounts Receivable | |
| ZPDI-A/R | 170,336.92 |
| Total Accounts Receivable | 170,336.92 |
| Other Current Assets | |
| Deposits | 1,000.00 |
| Total Other Current Assets | 1,000.00 |
| Total Current Assets | 250,945.33 |
| Fixed Assets | |
| Accumulated Amortization | -1,585.21 |
| Accumulated Depreciation | -5,908.32 |
| Equipment | 94,778.98 |
| Leasehold Improvements | 7,709.32 |
| Total Fixed Assets | 94,994.77 |
| TOTAL ASSETS | <u>345,940.10</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| Group Health Insurance | -4,802.03 |
| Loan - AE | 4,500.00 |
| Loan - MB | 120,000.00 |
| Payroll Liabilities | 54,588.86 |
| Peoples Financial Corp. - STN | 268.44 |
| Wage Garnishment - Various | -485.00 |
| Total Other Current Liabilities | 174,070.07 |
| Total Current Liabilities | 174,070.07 |
| Long Term Liabilities | |
| First Family Financial - LTN | 5,621.59 |
| Loan-SB | 24,576.15 |
| Total Long Term Liabilities | 30,197.74 |
| Total Liabilities | 204,267.81 |
| Equity | |
| Capital Stock | 16,200.00 |
| Retained Earnings | -61,350.09 |
| Net Income | 186,822.38 |
| Total Equity | 141,672.29 |
| TOTAL LIABILITIES & EQUITY | <u>345,940.10</u> |

EXHIBIT 6

OLS, Inc.

PROFIT AND LOSS STATEMENT

OLS, Inc.
Profit and Loss
 January through April 1998

Jan - Apr '98

| | |
|-----------------------------------|---------------------|
| Ordinary Income/Expense | |
| Income | |
| Customer Refund | -7,291.43 |
| LD Revenue | 1,684,960.75 |
| Total Income | 1,677,669.32 |
| Cost of Goods Sold | |
| Advertising - Long Distance | 81,939.04 |
| Billing & Collection Fees | 201,957.16 |
| Bonus | 500.00 |
| Commission | 48,510.00 |
| Contract Labor | 10,333.10 |
| LOA cost | 281,090.00 |
| Overtime Wages | 88.50 |
| Postage | 200.00 |
| Regular Wages | 74,221.46 |
| Supervisor Salary | 23,044.50 |
| Usage Charges | 383,232.43 |
| Total COGS | 1,105,116.19 |
| Gross Profit | 572,553.13 |
| Expense | |
| Bank Service Charges | 6.00 |
| Conference Expense | 20,850.00 |
| Dues and Subscriptions | 2,171.03 |
| Equipment Rental | 9,541.12 |
| Interest Expense | 32,709.55 |
| Licenses and Permits | |
| Filing Fees | 8,237.25 |
| Total Licenses and Permits | 8,237.25 |
| Office Supplies | 16,128.15 |
| Payroll Expenses | |
| Employee Christmas Bonus | 80.00 |
| Officer's Salary | 7,307.68 |
| Payroll Expenses - Other | 32,784.31 |
| Total Payroll Expenses | 40,171.99 |
| Postage and Delivery | 11,168.75 |
| Printing and Reproduction | 7,188.80 |
| Professional Fees | |
| Legal Fees | 41,161.35 |
| Total Professional Fees | 41,161.35 |
| Recruiting | 3,040.36 |
| Rent | 8,870.00 |
| Repairs | |
| Janitorial Exp | 5,357.50 |
| Repairs - Other | 2,688.00 |
| Total Repairs | 8,045.50 |
| Salaries & Wages | 161,637.53 |
| Taxes | |
| State | 8.00 |
| Total Taxes | 8.00 |
| Telephone | 5,404.68 |
| Temporary Help | 6,985.51 |
| Travel & Ent | |
| Meals | 663.90 |
| Travel & Ent - Other | 575.00 |
| Total Travel & Ent | 1,238.90 |
| Utilities | 1,166.28 |

05/15/98

OLS, Inc.
Profit and Loss
January through April 1998

| | Jan - Apr '98 |
|---------------------|-------------------|
| Total Expense | 385,730.75 |
| Net Ordinary Income | 166,622.38 |
| Net Income | <u>186,822.38</u> |

Exhibit 8

States where OLS is Currently Registered
or Certified to do Business

STATES WHERE APPLICANT IS AUTHORIZED TO OPERATE

Applicant is currently authorized to operate in the following states:

Alabama
California
Colorado
District of Columbia
Florida
Illinois
Iowa
Louisiana
Maryland
Massachusetts
Michigan
Montana
Nevada
New Jersey
New York
Ohio
Oregon
Pennsylvania
Tennessee
Texas
Utah
Virginia
Washington

Applicant has not been denied the authority to operate in any state.

EXHIBIT 7

OLS, Inc.

PROPOSED TARIFF

TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the description, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by OLS, Inc., with principal offices at 1030 Cambridge Square, Suite E, Alpharetta, Georgia 30201 (770) 569-9988. This tariff applies to services furnished within South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, where copies may be inspected during normal business hours.

ISSUED:

EFFECTIVE:

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

Pages 1 through 24 inclusive of this tariff are effective as of the date shown at the bottom of the respective page(s). Original and revised pages as named below comprise all changes from the original tariff and are currently in effect as of the date at the bottom of this page.

| <u>PAGE</u> | <u>REVISION</u> |
|-------------|-----------------|
| 1 | Original |
| 2 | Original |
| 3 | Original |
| 4 | Original |
| 5 | Original |
| 6 | Original |
| 7 | Original |
| 8 | Original |
| 9 | Original |
| 10 | Original |
| 11 | Original |
| 12 | Original |
| 13 | Original |
| 14 | Original |
| 15 | Original |
| 16 | Original |
| 17 | Original |
| 18 | Original |
| 19 | Original |
| 20 | Original |
| 21 | Original |

ISSUED:**EFFECTIVE:**

By: **Tariff Administrator**
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

TABLE OF CONTENTS

| | |
|---|----|
| TITLE SHEET | 1 |
| CHECK SHEET | 2 |
| TABLE OF CONTENTS | 3 |
| SYMBOLS | 4 |
| TARIFF FORMAT | 5 |
| SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS | 7 |
| SECTION 2 - RULES AND REGULATIONS | 8 |
| SECTION 3 - DESCRIPTION OF SERVICES | 17 |
| SECTION 4 - RATES | 20 |

ISSUED:

EFFECTIVE:

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SYMBOLS

The following are the only symbols used for the purpose indicated below:

- (C) - Changed regulation
- (D) - Discontinued rate or regulation
- (I) - Increase in rate
- (M) - Moved to/from another tariff location
- (N) - New rate or regulation
- (R) - Reduction in rate
- (T) - Change in text only

ISSUED:**EFFECTIVE:**

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the SDPUC. For example, 4th Revised Page 14 cancels the 3rd Revised Page 14. Because of various suspension periods, deferrals, etc. the SDPUC follows in its tariff approval process, the most current page number on file with the SDPUC is not always the tariff page in effect. Consult the Check Sheet for the page currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
 - 2.1.
 - 2.1.1.
 - 2.1.1.A.
 - 2.1.1.A. 1.
 - 2.1.1.A.1.(a).
 - 2.1.1.A.1.(a) 1.
 - 2.1.1.A.1.(a) 1. (i).
 - 2.1.1.A.1.(a) 1. (i) 1.

ISSUED:**EFFECTIVE:**

By: **Tariff Administrator**
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT (Cont'd)

- D. Check Sheets - When a tariff filing is made with the SDPUC, an updated check sheet accompanies the tariff filing. The check sheet lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the SDPUC.

ISSUED:

EFFECTIVE:

By: **Tariff Administrator**
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - A telephone line provided by local exchange carriers which connect a telephone or other communications device at a customer's location to OLS, Inc.'s underlying carrier's telecommunications network switching center(s).

Authorization or Account Code - A numerical code of four to eleven digits, one or more of which codes are available to a customer to enable the customer to lawfully connect its communication devices for the purpose of accessing the telecommunications networks of OLS, Inc.'s Underlying Carrier, and which thereby are used to prevent unauthorized network access and to identify the customer and its calling volumes for billing purposes.

Carrier or Company - OLS, Inc. or "OLS."

Customer - The person, firm, corporation, end user or other entity which orders or uses services and is responsible for the payment of charges.

Holidays - New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

SDPUC - South Dakota Public Utilities Commission.

Service Agreement - Company's standard form for the ordering and acceptance of a customer's request for and commitment to take Company's service offerings pursuant to this tariff.

Rate Center - The Points of Presence (POPs) or first point of interconnection of local exchange facilities providing access to the long distance network of the Company's Underlying Carrier and the point from which a customer's traffic is rated and billed.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of customer telecommunications traffic within South Dakota.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

START

OF

RETAKE

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - A telephone line provided by local exchange carriers which connect a telephone or other communications device at a customer's location to OLS, Inc.'s underlying carrier's telecommunications network switching center(s).

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Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of customer telecommunications traffic within South Dakota.

ISSUED:

EFFECTIVE:

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

END

OF

RETAKE

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of Company**

Company undertakes to provide only those designated Services as are furnished under the terms and subject to the conditions and customer payment of the applicable rates of this tariff for communications originating and terminating within South Dakota.

The Company's Services are available to its customers twenty four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the facilities of Company's Underlying Carrier and the provisions of this tariff.
- 2.2.2 Company reserves the right to discontinue furnishing service, or to limit the use of service necessitated by conditions beyond its control, including without limitation, for customer non-payment of charges, or when the customer's use of a service becomes or is in violation of the law or the provisions of this tariff.
- 2.2.3 The Services provided under this tariff are subject to the direct and exclusive control of the Company. No one may alter or affect the Services nor transfer or assign its use of the Services without the express written consent of the Company, which consent may be withheld, without limitation, by Company in its sole discretion at any time such alteration, effect, transfer or assignment would result in an interruption of the Services or a change in the customer's location to which the Services are to be provided.
- 2.2.4 In the event prior written permission from the Company is given for any assignment or transfer, all regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.3 Liabilities of the Company**

- 2.3.1 Company has no liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission or call processing of customer's communications traffic by the Underlying Carrier. The Company's liability for such damages occurring in the course of furnishing the Company's Services but not caused by its gross negligence or willful misconduct or that of its employees or agents in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which such mistakes, interruptions, omissions, delays, errors, or defects in the Company's furnishing of its Services occur.
- 2.3.2 Acceptance of the provisions of Section 2.3.1 by the Commission does not constitute its determination that the limitation of liability imposed by the Company should be upheld in a court of law, but the recognition that as it is the duty of the courts to adjudicate negligence claims and rights to recover damages therefor, so it is the duty of the courts to determine the validity of the exculpatory provisions of Section 2.3.1.
- 2.3.3 Company shall be indemnified and held harmless by the customer against:
- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content of a customer's communications traffic;
 - (B) Claims for patent infringement arising from a customer's use of its equipment, facilities, or systems with the Company's Services; and
 - (C) All other claims arising out of any act or omission of the customer in connection with any service provided by Company.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.4 Interruption of Service**

- 2.4.1 Credit allowance for the interruption of service is subject to the general liability provisions set forth in Section 2.3.1 herein. Customer shall receive no credit allowance for interruption of service due to Carrier's testing or adjusting, to negligence of the customer, or to the failure of channels or equipment provided by the customer. It shall be the obligation of the customer to notify the Company immediately of any interruption in service for which a credit allowance is claimed. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission within customer's control, or is not in wiring or equipment, if any, furnished by the customer in connection with the Company's Services.
- 2.4.2 No credit is allowed in the event service must be interrupted in order to provide routine service quality or related investigations.
- 2.4.3 Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of Company or in the event Company is entitled to a credit for the failure of the facilities of Company's Underlying Carrier used to furnish customer's service.
- 2.4.4 No credit shall be allowed:
- (A) For failure of services or facilities of customer; or
 - (B) For failure of services or equipment caused by the negligence or wilful acts of customer.
- 2.4.5 Credit for an interruption shall commence after customer notifies Company of the interruption or when Company becomes aware thereof, and ceases when service has been restored.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.4 Interruption of Service (Cont'd)**

- 2.4.6 Before customer notifies Company of an interruption, customer shall make reasonable attempts to ascertain that customer, a third party, or its or their actions and/or equipment is/are not the cause thereof.
- 2.4.7 Credits are applicable only to that portion of service interrupted.
- 2.4.8 For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.4.9 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.4.10 The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula.

Credit Formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" = outage time in hours

"B" = total monthly charge for affected facility

2.5 Restoration of Service

The use and restoration of service shall be administered by the Underlying Carrier in accordance with the priority system specified in the Rules and Regulations of the South Dakota Public Utilities Commission.

ISSUED:**EFFECTIVE:**

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.6 Deposits**

The Company does not require a deposit from its customers.

2.7 Advance Payments

The Company does not collect advance payments.

2.8 Taxes

2.8.1 Customer will be billed and is responsible for payment of applicable local, state, and federal taxes assessed in conjunction with service used.

2.8.2 All state and local taxes (i.e., sales taxes, gross receipts taxes, municipal utilities taxes, etc.) are listed as separate line items and are not included in the scheduled rates.

2.9 Collections

2.9.1 In the event Company incurs fees or expenses, including attorneys' fees, to collect, or to attempt to collect, any charges owed Company by customer, including charges alleged to have resulted from fraud or abuse of customer's services, the Company shall charge customer all such fees and expenses, including Company's reasonable attorneys' fees, incurred to collect or to attempt to collect its charges.

2.9.2 In accordance with the "filed tariff doctrine," as established by judicial and regulatory decisions and precedents, customer shall pay all charges due and owing irrespective of any claims of loss, liability, set off, damages, or other claims against Company to which customer may claim to be entitled. The duty to pay such charges shall arise upon the demand for payment by Company. Customer's duty to pay can only be delayed or deferred by the initiation of a valid billing dispute by the customer.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.10 Billing Disputes**

- 2.10.1 Billing disputes shall be processed by the Company or its billing agent(s) consistent with SDPUC regulations.
- 2.10.2 A valid billing dispute consists of written documentation specifically listing the total dollar amount of the dispute, the specific rate elements being disputed, and their dollar amounts. At least one of the following reasons must be given for the dispute to be considered valid:
1. Incorrect Rate
 2. Error in quantity (i.e., billing increments)
 3. Service no longer exists
 4. Incorrect customer being billed
 5. Backbilling
- 2.10.3 Refusal to pay an entire bill or any portion thereof without written supporting documentation will not be considered a valid dispute and will be handled as a non-payment.
- 2.10.4 In the event that a billing dispute is resolved in favor of the Company, late payment charges will apply to amounts withheld pending settlement of the dispute. Late payment charges are calculated as set forth in Section 4.8 except that when the customer disputes the bill on or before the payment date and pays the undisputed amount on or before the payment date, the penalty interest period shall not begin until 10 days following the payment date.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.10 Billing Disputes (Cont'd)

2.10.5 Customer agrees that all actions, suits or proceedings to recover charges due under this tariff shall, at the Company's discretion, be prosecuted in the state or federal courts in the state in which the Company maintains its principal offices or in which it administers its legal/regulatory affairs. Customer consents to and submits to the exercise of jurisdiction over the subject matter, waives personal service of any and all process upon it, and consents that all such service of process be made by registered mail directed to customer at its address registered with Company. Service so made shall be deemed to be completed five business days after such process shall have been deposited in the mail, postage prepaid.

2.10.6 Customers unsatisfied with the Company's handling of a dispute may contact the South Dakota Public Utilities Commission, State Capitol, Pierre, South Dakota 57501-5070, or by phone at (800) 332-1782.

2.11 Billing

Company bills its customers directly.

ISSUED:

EFFECTIVE:

By: **Tariff Administrator**
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.12 Form and Content of Termination Notice**

In the event that the Company proposes to terminate service to a customer pursuant to this tariff, the Company will send the customer a written notice of termination. The notice will be titled "SHUT OFF NOTICE" or "CUT OFF NOTICE" in type at least one-quarter (1/4) inch in height and will clearly indicate that it is a disconnect notice. The disconnect notice will contain the following information:

- (a) The name and address of the customer, the telephone number or identifying number to which the service is billed, and the nature of the service provided by the Company.
- (b) A clear and concise statement of the reasons for the proposed termination of service.
- (c) The date after which service will be terminated unless the customer takes appropriate action.
- (d) If the reason for termination of service is nonpayment of a delinquent account, the notice shall include a statement of the amount owed and the date of delinquency prompting termination.
- (e) The Company's telephone number which can be called toll-free and the address of the Company's office where a customer may make inquiries, pay the bill, make a complaint, or initiate an investigation.
- (f) A statement that any customer with an unresolved complaint may contact the SDPUC's Consumer Complaints Hotline at (800) 332-1782.
- (g) The charge and the customer action necessary for reconnection of service.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICES**3.1 Usage Based Services**

- 3.1.1 Long distance usage charges are based on the actual usage of the Company's network. Timing for all calls begin when the called party answers the call (i.e. when two-way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- 3.1.2 Chargeable time for all calls ends when one of the parties disconnects from the call.
- 3.1.3 Unless otherwise specified in this tariff, the minimum call duration for billing purposes is one (1) minute.
- 3.1.4 Unless otherwise specified in this tariff, calls are billed in one (1) minute increments.
- 3.1.5 Usage is measured and rounded up to the next higher increment for billing purposes.
- 3.1.6 There are no billing charges applied for incomplete calls.

3.2 Outbound Interexchange Service

The Company's service is provided for use by presubscribed Customers or Authorized Users. Calls are routed over the Company's resold transmission and switching facilities to any valid NPA-NXX in the state of South Dakota.

3.3 800/888 Service

800/888 service provides for the termination of inbound toll-free calls to one-party exchange access lines from points within South Dakota to Customer premises within South Dakota.

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICES (Cont'd)

3.4 Calling Card Service

Carrier offers a calling card, which allows Customer to gain access to its long distance service from anywhere in South Dakota via a toll-free access number with service billed back to the Customer's account. Calling Card service allows customers to originate outbound, direct dial long distance calls.

3.5 Directory Assistance

The Company provides standard Directory Assistance.

3.6 Services Not Available

Carrier does not offer 900, 911, collect, or third-party billed calling.

ISSUED:

EFFECTIVE:

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES4.1 Description of Rates

Services are available to subscribers under the following rate plans. Calls in each rate plan are billed in increments with minimum billing increments as specified. No charge is made for an uncompleted call.

4.2 Outbound Services

OLS's rates for Rate Plan A and Rate Plan B differ according to time period. Peak hours are from 8:00 a.m. to 5:00 p.m. seven days per week. Off Peak hours are from 5:01 p.m. to 7:49 a.m. seven days per week.

4.2.1 Rate Plan A

Rate Plan A offers InterLATA/IntraLATA service, and is available to carrier's customers under its interexchange Rate Plans I, II, and III, Daytime Savings Plan, and Absolute Savings Plan of its F.C.C. Tariff No. 1. Calls are billed in one (1) minute increments and are rounded up to the next higher increment.

Usage Charge

Peak \$0.25/minute

Off Peak \$0.23/minute

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES (Cont'd)**4.2.2. Rate Plan B**

Rate Plan B offers InterLATA/IntraLATA service, and is available to carrier's customers under its interexchange Rate Plan IV of its F.C.C. Tariff No. 1. Calls are billed in one (1) minute increments and are rounded up to the next higher increment.

Usage Charge

Peak \$0.27/minute

Off Peak \$0.24/minute

4.3 800/888 Service

Charges for inbound services are time and distance insensitive and are billed in one (1) minute increments and rounded up to the next higher increment.

Usage Charge

\$0.24/minute

4.4 Basic Calling Card Service

Calling card services are provided to customers at the following rate. Calls are time and distance insensitive and are billed in one (1) minute increments and rounded up to the next higher increment.

Usage Charge

\$0.25/minute

ISSUED:**EFFECTIVE:**

**By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201**

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES (Cont'd)**4.5 Frequent User Calling Card Service**

Calling card services are provided to customers with a minimum monthly usage of \$20.00 at the following rate. Calls are time and distance insensitive and are billed in one (1) minute increments and rounded up to the next higher increment.

Usage Charge

\$0.24/minute

4.6 Directory Assistance

\$0.75/ call

4.7 Returned Check Charge

Carrier charges a fee of \$20.00 for any check returned for insufficient funds.

4.8 Late Payment Charge

A late fee of 1.5% per month will be charged on any past due balance.

4.9 Miscellaneous Charge

A surcharge applies to all remote access calls, including 800/888 and calling card calls that are accessed by dialing 800/888, originated from payphones.

Per Call

\$0.30

ISSUED:**EFFECTIVE:**

By: **Tariff Administrator**
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES (Cont'd)

4.10 Method of Computing Charges

Charges for each call are totaled by rate period. If the computed charges include a fraction of a cent, the fraction is rounded up to the next whole cent (e.g., \$1.4266 would be rounded up to \$1.43).

ISSUED:

EFFECTIVE:

By: Tariff Administrator
OLS, INC.
1030 Cambridge Square, Suite E
Alpharetta, Georgia 30201

OLS, INC.
OPERATING ACCOUNT
1030 CAMBRIDGE SQUARE, SUITE E
ALPHARETTA, GA 30004

SUNTRUST BANK, ATLANTA
ATLANTA, GA 30303
64-10610

2061

5/20/98

PAY TO THE ORDER OF South Dakota Public Service Commission

\$ **250.00

Two Hundred Fifty and 00/100

South Dakota Public Service Commission

DOLLARS
Security Features
Included
Details on back

MEMO Filing Fees

⑈00206⑈ ⑆06⑆000⑆04⑆ 880⑆?23670⑈

OLS, INC. / OPERATING ACCOUNT

South Dakota Public Service Commission
Licenses and Permits: Filing Fees

5/20/98

2061

250.00

TC98-107

Operating - Checking Filing Fees

250.00

| | | | |
|----------|---|----------|----------|
| TC98-106 | In The Matter Of The Establishment Of Switched Access Revenue Requirement For Golden West Telecom Cooperative (Staff: BK/KC) Golden West Telecom Cooperative filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local Exchange Carrier Association | 05/27/98 | 06/12/98 |
|----------|---|----------|----------|

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PAGE 2 OF 2

| South Dakota Public Utilities Commission State Capitol 500 E. Capitol Pierre, SD 57501-5070 Phone: (605) 773-3705 Fax: (605) 773-3809 | | TELECOMMUNICATIONS SERVICE FILINGS These are the telecommunications service filings that the Commission has received for the period of: 05/22/98 through 05/28/98 If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing. | |
|--|--|--|-----------------------|
| DOCKET NUMBER | TITLE/STAFF/SYNOPSIS | DATE FILED | INTERVENTION DEADLINE |
| REQUEST FOR CERTIFICATE OF AUTHORITY | | | |
| TC98-102 | Application by Comcast Telecommunications, Inc. d/b/a Comcast Long Distance for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) Applicant seeks authority to offer a full range of "1+" interexchange telecommunications services on a resale basis. Specifically, Applicant seeks authority to provide MTS, out-WATS, debit card and calling card services. Applicant does not intend to provide operator services, 900 or 700 services. | 05/26/98 | 06/12/98 |
| TC98-107 | Application by OLS, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/EM) Applicant seeks authority to provide outbound interexchange, 800/888, calling card and directory assistance services. Applicant does not intend to offer 900, 911, collect or third-party billed calling. | 05/28/98 | 06/12/98 |
| TC98-108 | Application by ICG Telecom Group, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: HB/CH) ICG proposes to provide resold intrastate interexchange telecommunications services, including direct dialed ("1+") outbound/inbound message telecommunications services, operator services, and postpaid calling card services, to and from all points within the state of South Dakota. | 05/28/98 | 06/12/98 |
| NONCOMPETITIVE TELECOMMUNICATIONS FILINGS | | | |
| TC98-103 | In The Matter Of The Establishment Of Switched Access Revenue Requirement For Beresford Municipal Telephone Company. (Staff: BK/KC) Beresford Municipal Telephone Company filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local Exchange Carrier Association. | 05/27/98 | 06/12/98 |
| TC98-104 | In The Matter Of The Establishment Of Switched Access Revenue Requirement For Union Telephone Company. (Staff: GR/KC) Union Telephone Company filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local Exchange Carrier Association. | 05/27/98 | 06/12/98 |
| TC98-105 | In The Matter Of The Establishment Of Switched Access Revenue Requirement For Baltic Telecom Cooperative. (Staff: HB/KC) Baltic Telecom Cooperative filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local Exchange Carrier Association. | 05/27/98 | 06/12/98 |

PAGE 1 OF 2

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

| | |
|---------------------------------------|----------------|
| IN THE MATTER OF THE APPLICATION OF) | ORDER GRANTING |
| OLS, INC. FOR A CERTIFICATE OF) | CERTIFICATE OF |
| AUTHORITY TO PROVIDE) | AUTHORITY |
| TELECOMMUNICATIONS SERVICES IN) | |
| SOUTH DAKOTA) | TC98-107 |

On May 28, 1998, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20 10 24 02, received an application for a certificate of authority from OLS, Inc. (OLS).

OLS proposes to provide intrastate telecommunications resale services, including outbound interexchange, 800/888 calling card and directory assistance. OLS does not intend to offer 900, 911, collect or third-party billed calling. OLS proposes to provide these services throughout the state of South Dakota. A proposed tariff was filed by OLS. The Commission has classified long distance service as fully competitive.

On May 28, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of June 12, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled June 30, 1998, meeting, the Commission considered OLS' request for a certificate of authority. Commission Staff recommended granting a certificate of authority.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20 10 24 02 and 20 10 24 03. The Commission finds that OLS has met the legal requirements established for the granting of a certificate of authority. OLS has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves OLS' application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that OLS' application for a certificate of authority is hereby granted, effective July 28, 1998. It is

FURTHER ORDERED, that OLS shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 9th day of July, 1998.

| |
|---|
| CERTIFICATE OF SERVICE |
| <small>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.</small> |
| By <u><i>Melvin Krebs</i></u> |
| Date <u>7/10/98</u> |
| <small>(OFFICIAL SEAL)</small> |

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted June 30, 1998, effective July 28, 1998
Docket No. TC98-107

This is to certify that

OLS, INC.

is authorized to provide telecommunications services in South Dakota.

This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24 02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services

Dated at Pierre, South Dakota, this 9th day of July, 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:



James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner